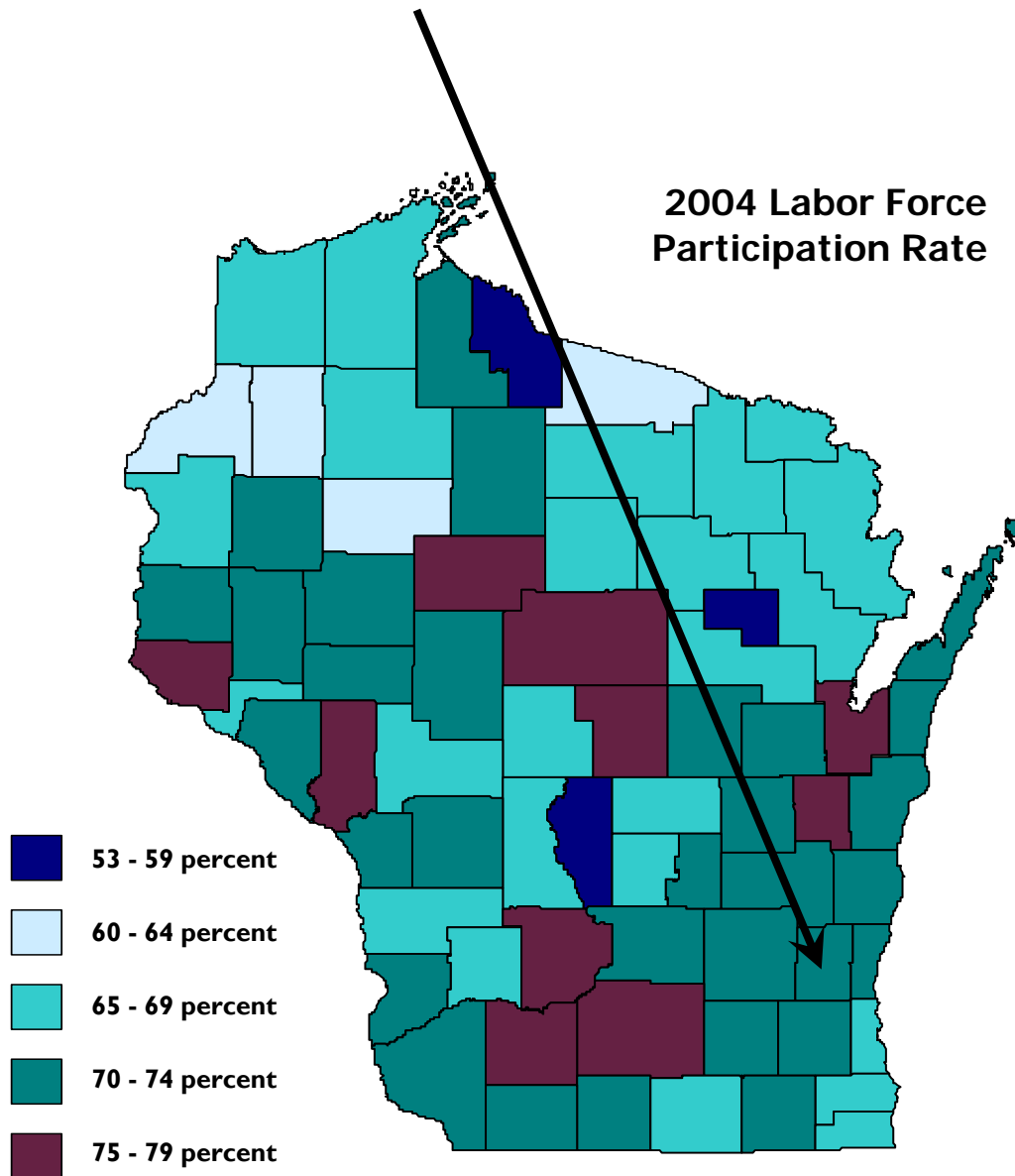


Washington County Workforce Profile



Source: Estimates created by DWD, OEA using data supplied by
U.S. Bureau of Labor Statistics and U.S. Bureau of Census

Regional contact:
Jeff Sachse
Office of Economic Advisor
892 Main St. Suite J
Pewaukee, WI 53072
920.208.5809
Jeff.Sachse@dwd.state.wi.us



State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

December 2005

OEA-10659-P

County Population and Labor Force

Washington County continued its trend of over a decade of remarkable population growth in 2004. With the addition of over 8,000 residents in the past year, the county's five-year growth rate of 7.2 percent is nearly double the state average and significantly higher than population growth nationally. This pattern of growth again suggests that Washington County has emerged as a strong focus for residential growth within the Milwaukee-Waukesha-West Allis MSA, which includes Milwaukee, Ozaukee, Washington, and Waukesha Counties. This is further supported by the fact that Washington County's five-year population growth rate is nearly double that of the next fastest-growing county — Waukesha County, who reported a change of 4.6 percent over the same period, while adding nearly twice as many residents as Washington County.

Growth throughout the county and region is facilitated by the availability of viable residential properties, ample regional employment opportunities, and the potential for significant income generation. As we shall see throughout this profile, Washington County is adequately positioned to compete regionally in each of these factors.

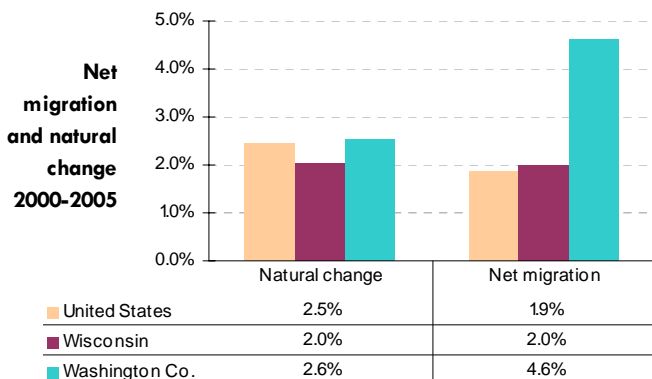
As has been the trend throughout the past several years, the most rapid population growth within Washington County has occurred in communities to the west of U.S. Highway 41 in communities such as Hartford and Jackson. This is not to

Five largest municipalities in Washington County

	April 2000 Census	Jan. 1, 2005 estimate	Numeric change	Percent change
Washington County	117,496	125,940	8,444	7.2%
West Bend, City	28,152	29,612	1,460	5.2%
Germantown, Village	18,260	19,189	929	5.1%
Hartford, City*	10,895	12,728	1,833	16.8%
Richfield, Town	10,373	11,336	963	9.3%
Jackson, Village	4,938	5,884	946	19.2%

*Washington County portion only

Source: Wis. Dept. of Administration, Demographic Services, August 2005



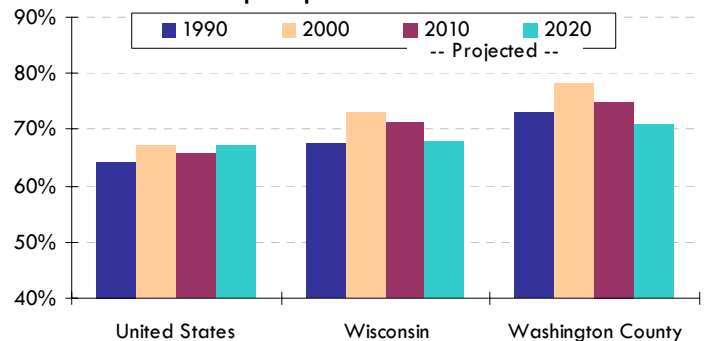
Source: WI Dept. of Admin., Demographic Services & US Census Bureau

Population and Labor Force

	United States	Wisconsin	Washington County
Total population in 2000	281,424,602	5,363,715	117,496
Population est. Jan. 1, 2005	295,160,302	5,580,757	125,940
Change	13,735,700	217,042	8,444
% change	4.9%	4.0%	7.2%
2005 Labor force population*	224,837,000	4,339,938	98,487
Share of total population	76.2%	78%	78.2%
Labor force	147,125,000	3,071,179	71,313
Labor force participation rate	65.4%	70.8%	72.4%
2005 Population 16 yrs. & over	228,621,674	4,417,313	99,316
16-24 yrs old	37,489,370	743,764	15,854
Share of population 16+ yrs	16.4%	16.8%	16.0%
25-59 yrs old	142,248,896	2,708,865	63,125
Share of population 16+ yrs	62.2%	61.3%	63.6%
60 yrs and older	48,883,408	964,684	20,337
Share of population 16+ yrs	21.4%	21.8%	20.5%
Projected population: 2020	335,804,546	6,110,878	139,214
Population 16 yrs. & over	264,085,104	4,869,573	111,250
16-24 yrs old	37,918,865	681,586	13,592
Share of population 16+ yrs	14.4%	14.0%	12.2%
25-59 yrs old	150,678,402	2,756,884	65,593
Share of population 16+ yrs	57.1%	56.6%	59.0%
60 yrs and older	75,487,837	1,431,103	32,065
Share of population 16+ yrs	28.6%	29.4%	28.8%

* civilian population 16 yrs. and older not in an institution

Percent of labor force age population that participates in labor force



Source: special tabulation by OEA using US Census, US Bureau of Labor Statistics, WI Dept. of Admin. estimates and projections

suggest that the more established communities in the county have not experienced similar growth, as demonstrated by the addition of significant populations in both West Bend and Germantown. The net effect of this significant growth pattern is reflected in the county's high labor force participation rate, which in 2004 was 72.5 percent, a figure that is again higher than state and national rates.

Revised Labor Force

Continuing our discussion of the health of Washington County's labor force, we turn our attention to the employment status of the county's population. As is suggested in the table at right, Washington County's labor force made significant strides in 2004 to recover from the economic downturn that marred the nation over the past four years. The county's annual average unemployment rate of 4.5 percent marked the lowest rate for the county since 2001. Similarly, the county's employed population was again at its highest level in four years. This, coupled with a rather stable labor force resulted in a decrease in the number of unemployed residents in Washington County. Finally, the county's remarkably low unemployment rate compares favorably to similar measures through the region, as Ozaukee and Waukesha counties had lower, but similar rates (3.6 percent and 4.2 percent, respectively) while Milwaukee County's annual average unemployment rate was significantly higher (6.3 percent). This suggests, however, that while Washington County did indeed make significant progress during the past year, recovery remains an ongoing process.

Washington County Civilian Labor Force Estimates

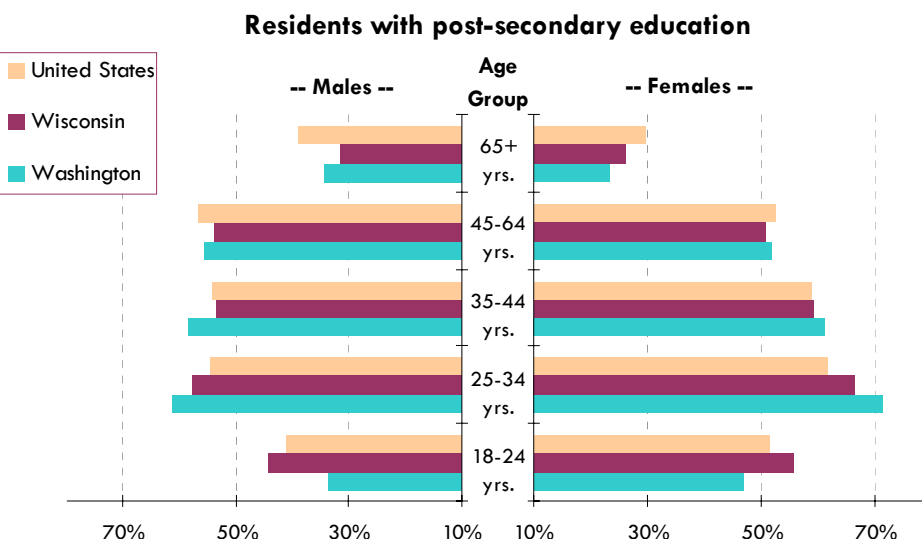
	Labor force	Employed	Unemployed	Unemployed rate
1990	53,769	51,743	2,026	3.8%
1991	55,103	52,453	2,650	4.8%
1992	57,523	54,733	2,790	4.9%
1993	59,232	57,197	2,035	3.4%
1994	62,116	59,958	2,158	3.5%
1995	64,032	62,150	1,882	2.9%
1996	65,761	63,979	1,782	2.7%
1997	66,960	65,204	1,756	2.6%
1998	67,898	66,132	1,766	2.6%
1999	68,949	67,402	1,547	2.2%
2000	70,000	68,064	1,936	2.8%
2001	70,834	68,148	2,686	3.8%
2002	70,717	67,346	3,371	4.8%
2003	71,392	67,684	3,708	5.2%
2004	71,313	68,137	3,176	4.5%

Source: DWD, Bureau of Workforce Information, Local Area Unemployment Statistics, September 2005

Education Attainment

While the analysis, to this point, has focused on a quantitative assessment of Washington County by reviewing the aggregate status of the county's workforce, little discussion as to the quality of the workforce has occurred. Among the ways which experts measure the overall quality of a region's skilled workforce is through an analysis of the level of education attainment among the population. An example of this type of

analysis is depicted in the graph below. In reviewing this data, a number of significant trends are apparent. First, the county surpasses the state and national averages in nearly every age and gender cohort as to the level of post-secondary education (measured as attendance at either a technical or community college and/or four-year college or university). However, one area where the county lags behind its state and national counterparts is in education attainment among 18 to 24 year-old males and females.



Source: US Census 2000, Summary file 3, QT-P20

Employment and Wages

Given the high quality of Washington County's workforce, we should expect to see wages within the county commensurate with those garnered by individuals with significant post-secondary education. However, as is suggested in the table at right, this is not entirely the case. While this is rectified, in part, by the presence of an expansive and mature regional economy as well as by disparities in the cost of living within the county as opposed to other areas in the region, the nature of the average wage structure in Washington County is nonetheless interesting.

In 2004, the average annual wage across all industries was slightly below \$33,000. This is roughly six percent below the state average for the same period. Similarly, average wages in all industries except natural resources lie significantly below the state average. Of most significance are the average wages associated with the information and leisure and hospitality sectors. While these relatively low wages can again be attributed to differences in the occupational mix in firms in these sectors in Washington County as compared to similar firms statewide, they again point to an interesting trend within the county's economy.

Turning our attention now to an analysis of employment trends within the county's major industry sectors, we see

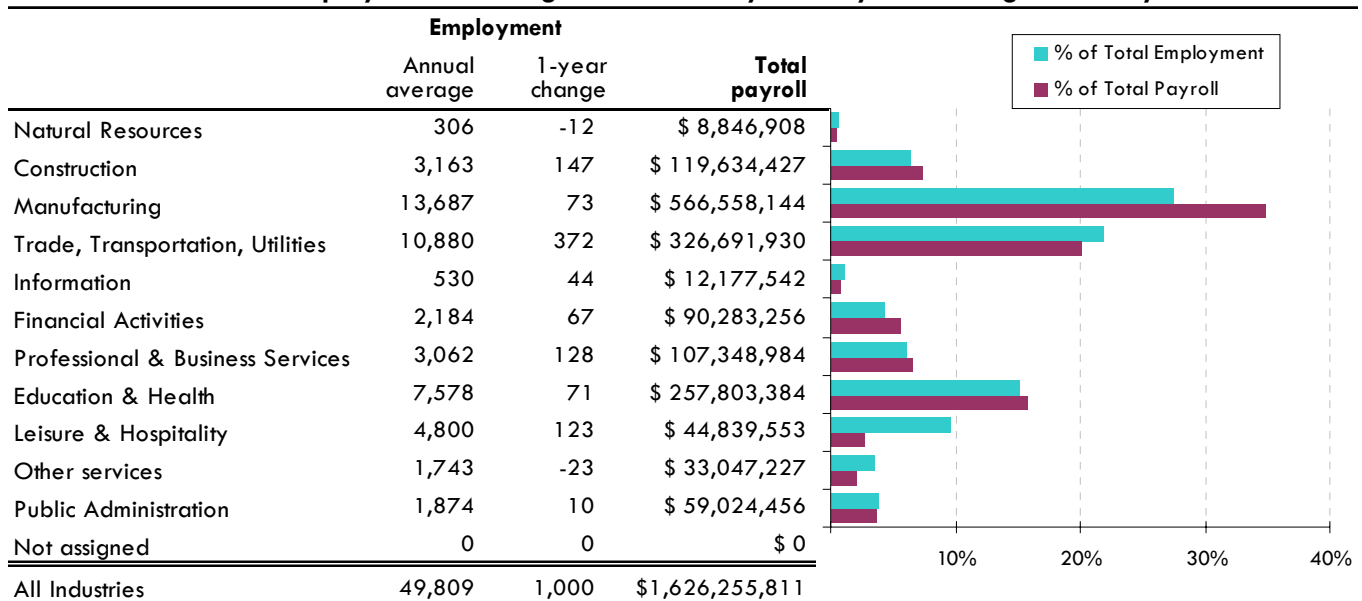
Average Annual Wage by Industry Division in 2004

	2004	2004		
	Average Annual Wage	Average Annual Wage	Percent of	1-year
	Wisconsin	Washington County	Wisconsin	% change
All Industries	\$ 34,749	\$ 32,650	94.0%	2.8%
Natural resources	\$ 27,399	\$ 28,911	105.5%	13.1%
Construction	\$ 41,258	\$ 37,823	91.7%	3.2%
Manufacturing	\$ 44,145	\$ 41,394	93.8%	5.3%
Trade, Transportation, Utilities	\$ 30,088	\$ 30,027	99.8%	3.9%
Information	\$ 41,759	\$ 22,976	55.0%	-5.5%
Financial activities	\$ 45,103	\$ 41,338	91.7%	2.4%
Professional & Business Services	\$ 39,580	\$ 35,058	88.6%	-9.7%
Education & Health	\$ 36,408	\$ 34,020	93.4%	3.3%
Leisure & Hospitality	\$ 12,295	\$ 9,342	76.0%	1.5%
Other services	\$ 20,207	\$ 18,960	93.8%	0.4%
Public Administration	\$ 36,347	\$ 31,497	86.7%	1.6%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

that, with the exception of the natural resources and other services sectors, all major industry sectors added employees to their respective workforces in 2004. Job growth was paced by trade, transportation, and utilities, where increases in demand for over-the-road freight services and other supply chain services sparked growth, and the construction sector, where increased demand for both new residential and commercial construction within the county led firms to bring on an additional 147 workers over the same period in 2003. Despite this growth, employment continues to be concentrated in manufacturing, transportation, and health services.

2004 employment and wage distribution by industry in Washington County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2005

Industry and Employers by Size

Top 10 Private-sector Employers in Washington County

Establishment	Product or Service	Size (Dec. 2004)
Serigraph Inc	Commercial lithographic printing	500-999 employees
Broan-Nutone LLC	Electric housewares & hshld. fan mfg.	500-999 employees
Quad/Graphics Inc	Commercial lithographic printing	500-999 employees
Saint Joseph's Community Hospital	Gen. medical & surgical hospitals	500-999 employees
Regal Ware Inc	Kitchen utensil, pot, & pan mfg.	500-999 employees
Benevolent Corp Cedar Campuses	Rooming & boarding houses	500-999 employees
Ultra Mart Foods Inc	Supermarkets & other grocery stores	500-999 employees
West Bend Mutual Insurance Co	Direct property & casualty insurers	500-999 employees
Sysco Food Services of Eastern	Gen. line grocery merchant whslrs	500-999 employees
Signicast Corp	Steel investment foundries	250-499 employees

Source: DWD, Bureau of Workforce Information, ES-202, July 2005

Prominent industries in Washington County

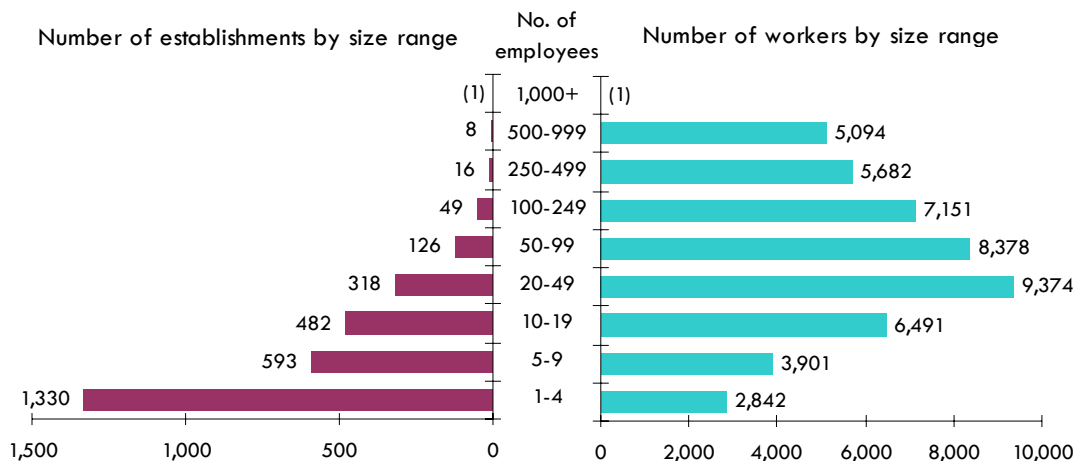
NAICS title	March 2005		Numeric change in employees	
	Establishments	Employees	2004-2005	2000-2005
Food services and drinking places	172	3,830	380	652
Fabricated metal product manufacturing	87	3,473	244	-172
Educational services	24	3,273	52	220
Machinery manufacturing	79	2,314	-44	-612
Specialty trade contractors	354	2,300	152	415
Printing and related support activities	19	1,933	4	-694
Administrative and support services	159	1,820	293	684
Ambulatory health care services	96	1,532	67	632
Merchant wholesalers, nondurable goods	54	1,527	110	771
Executive, legislative, & gen government	20	1,453	-36	75

* data suppressed to maintain employer confidentiality

Column headings revised 02/06

Source: DWD, Bureau of Workforce Information, ES-202, September 2005

Washington County establishments and workers by employment size range in 2004



(1) Data not available due to suppression factors

Source: DWD, Bureau of Workforce Information, Table 221, July 2005

Given the relative importance of the trade, transportation and utilities sector in driving Washington County's recent employment growth, we should expect that an analysis of the county's top firms and industries would reflect this trend. However, as the list at left suggests, only Sysco Food Services of Eastern Wisconsin, a frozen and prepared foods wholesaler ranks among the largest firms in the county.

One additional trend that is reflected in each of these lists is the continued importance of manufacturing and health care in the county. This trend is confirmed by the presence of firms such as Broan-Nutone LLC, Regal Ware, Inc., Signicast Corp., and Saint Joseph's Community Hospital among the county's largest employers.

Similarly, a niche emphasis in lithographic and offset printing is demonstrated by the continued presence of firms such as Serigraph Inc and Quad/Graphics, Inc. among the county's major employers.

In reviewing employment trends in each of these major industries, we see that most industries did add employees over the past year. However, many of Washington County's major industries remain below 2000 employment levels.

Per Capita Personal Income

While the discussion of average wages included earlier in this profile suggested that Washington County's workforce did not generally fare as well as their counterparts in the other counties of Southeastern Wisconsin, a discussion of wages paid by employers within the county does not tell the entire story. A better measure of relative wealth within a given area may be per capita personal income, which considers wages and other assets held by residents within a given area regardless of whether the wages were earned in the county or not. Taking this measure into account, we see that Washington County is among the most prosperous counties in Wisconsin.

The per capita personal income of Washington County in 2003 was just over \$35,000. This represents the 4th highest per capita income in the state, ranking just behind Ozaukee, Waukesha, and Dane Counties. Taken in comparison to average wages in the county, we see that per capita income is actually 7.3 percent higher. This is of particular note when it is further considered that per capita personal income is calculated across the entire population of working age within the county, regardless of employment status.

Of equal significance is the growth in per capita income experienced in Washington County since 1998, which marks the height of the economic expansion of the mid-to-late 1990s. While per capita income increased by nearly fifteen percent in the county during this period, this growth rate only ranks 46th among all counties in the state. Washington County was outpaced by both Brown and Dane counties (17.8 percent and 21.0 percent) among the five

highest counties. However, Washington County does rank as the second fastest growing county in this measure in the metropolitan area, lagging behind only Milwaukee County (19.5 percent). This again suggests, that while the county did experience some of the effects of the latest economic downturn, it has successfully weathered the storm.

Wisconsin Counties 2003 Per Capita Personal Income and Rank in State

Area	2003	Rank	5-yr growth	Rank	Area	2003	Rank	5-yr growth	Rank
United States	\$ 31,472		17.1%		Manitowoc	\$ 27,807	27	13.6%	59
Wisconsin	\$ 30,685		17.2%		Marathon	\$ 29,992	16	22.0%	5
Adams	\$ 22,804	59	16.1%	37	Marinette	\$ 25,448	39	21.3%	9
Ashland	\$ 23,204	55	16.6%	32	Marquette	\$ 22,590	64	26.5%	1
Barron	\$ 24,922	41	15.2%	44	Menominee	\$ 18,449	72	19.8%	16
Bayfield	\$ 22,660	62	13.4%	60	Milwaukee	\$ 31,419	7	19.5%	18
Brown	\$ 32,076	5	17.8%	25	Monroe	\$ 23,467	54	16.8%	31
Buffalo	\$ 29,083	20	17.2%	28	Oconto	\$ 24,842	42	12.3%	66
Burnett	\$ 22,796	60	17.1%	29	Oneida	\$ 28,646	22	18.7%	21
Calumet	\$ 31,880	6	21.4%	8	Outagamie	\$ 30,952	11	20.5%	14
Chippewa	\$ 25,999	36	12.3%	67	Ozaukee	\$ 47,527	1	14.7%	48
Clark	\$ 22,227	66	13.9%	55	Pepin	\$ 24,407	44	13.0%	64
Columbia	\$ 30,846	12	18.2%	24	Pierce	\$ 27,963	26	18.6%	23
Crawford	\$ 22,628	63	20.9%	13	Polk	\$ 24,201	46	13.9%	54
Dane	\$ 36,455	3	21.0%	12	Portage	\$ 27,464	30	21.1%	11
Dodge	\$ 26,048	35	13.3%	61	Price	\$ 24,361	45	12.2%	68
Door	\$ 30,657	13	15.9%	40	Racine	\$ 31,271	8	15.0%	45
Douglas	\$ 23,568	53	15.3%	43	Richland	\$ 23,829	51	21.9%	6
Dunn	\$ 22,885	58	14.9%	47	Rock	\$ 28,256	25	14.1%	50
Eau Claire	\$ 27,469	29	17.5%	27	Rusk	\$ 20,461	71	14.0%	52
Florence	\$ 24,146	47	25.3%	3	Sauk	\$ 28,780	21	19.5%	19
Fond du Lac	\$ 29,951	17	16.1%	38	Sawyer	\$ 23,921	50	22.3%	4
Forest	\$ 21,975	68	25.4%	2	Shawano	\$ 23,941	49	13.9%	56
Grant	\$ 24,116	48	15.6%	42	Sheboygan	\$ 31,251	9	19.8%	17
Green	\$ 28,542	23	14.0%	51	St. Croix	\$ 31,091	10	13.6%	57
Green Lake	\$ 26,962	32	8.1%	72	Taylor	\$ 23,020	56	16.6%	34
Iowa	\$ 27,308	31	19.2%	20	Trempealeau	\$ 25,242	40	18.7%	22
Iron	\$ 22,912	57	21.1%	10	Vernon	\$ 20,950	70	15.7%	41
Jackson	\$ 26,084	34	21.9%	7	Vilas	\$ 25,664	37	13.0%	63
Jefferson	\$ 29,330	18	16.5%	35	Walworth	\$ 27,626	28	13.6%	58
Juneau	\$ 22,382	65	12.7%	65	Washburn	\$ 22,794	61	16.0%	39
Kenosha	\$ 29,117	19	16.5%	36	Washington	\$ 35,196	4	14.9%	46
Kewaunee	\$ 25,536	38	8.8%	71	Waukesha	\$ 41,551	2	12.2%	69
La Crosse	\$ 28,284	24	16.8%	30	Waupaca	\$ 26,863	33	14.0%	53
Lafayette	\$ 21,983	67	10.1%	70	Waushara	\$ 21,762	69	13.2%	62
Langlade	\$ 23,739	52	20.4%	15	Winnebago	\$ 30,359	15	16.6%	33
Lincoln	\$ 24,725	43	14.6%	49	Wood	\$ 30,401	14	17.7%	26

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2005